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WHIP AT-LARGE



COMMITTEE ON WAYS AND MEANS
SUBCOMMITTEE ON TRADE
SUBCOMMITTEE ON SOCIAL SECURITY

Congress of the United States
House of Representatives
Washington, DC 20515

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May 21, 1998

The Honorable William E. Kennard
Chairman
Federal Communications Commission
1919 M Street, N.W.
Washington, D.C. 20554

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Dear Chairman Kennard:

I am writing to you today to express my utmost concern and support for the education rate (E-rate) created by the Telecommunications Act of 1996. It is absolutely imperative that you, as Chairman of the F.C.C., work to implement the intentions of Congress regarding this initiative and ensure that the E-rate receives full and comprehensive implementation. The imminent decision that you and the F.C.C. Commissioners will be rendering relating to the funding of the E-rate is of vital importance to the future of education and rural health in our local communities. I urge you and your fellow commissioners to ensure that funds allocated to the E-rate meet the demand demonstrated by schools and libraries in the 30,000 applications submitted thus far.

The Telecommunications Act of 1996 acknowledged the necessity of providing telecommunications services to our local educational and health institutions. By creating the E-rate, Congress clearly enumerated its commitment to guarantee that each child and community has the tools necessary to become technologically capable of participating in the global marketplace. The influx of advanced technology in our society makes it imperative for our schools and libraries to have adequate technology with which to teach the youth of our future. I strongly support any measures which would enable local schools and libraries to access the information superhighway. The E-rate is the very means for doing so, while still allowing for innovative collaboration amongst local private and public entities.

The E-rate, financed through reductions in the regulatory fees assessed to telephone companies, is a positive and beneficial program which encourages the economic development of infrastructure for both schools and libraries. I was extremely pleased with the adoption by the F.C.C. of the Joint Board's recommendations to provide eligible schools and libraries with discounts ranging from 20-90% dependent upon their economic circumstance. However, the uncertainty of such funding now becoming a reality greatly concerns me and gives cause for your utmost attention to be given to this matter. The original proposal called for total expenditures for universal service support to be capped at \$2.25 billion per year, but, in light of the 30,000

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E-Rate Program Implementation

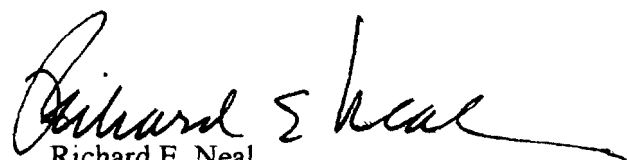
applications that have been submitted, and the fact that the current financing mechanism is estimated to only collect \$625 million in the first six months, an estimated deficit of \$300 million, I urge you to continue to fund the E-rate at the highest possible level.

The negative publicity that has surrounded the implementation of this program is distressing, and despite some naysayers, the program has attained solid support from local communities, educators, students, and many businesses. This effort must not be compromised nor delayed by the potential ongoing debates and criticisms that are fueled and based on misinformation. The message from local communities has been resoundingly clear - our students need to be exposed to technology and have access to as much information as possible in order to be successful and to function in modern society. The E-rate is a prime means by which the federal government can offset, and often times initiate, the inception of high tech infrastructure in our schools and libraries.

The Springfield Library & Museums Association located in my homecity of Springfield, Massachusetts has applied for funding under the E-Rate program. The Springfield City Library, a comprehensive complex in the midst of the city's downtown area, has requested funding to enable it to connect to the Internet and to increase its service capabilities to the over 150,000 patrons that utilize its facility yearly. The Springfield City Library, like many other inner-city libraries, is hard pressed for funding, but has still managed to provide local citizens with many services. The discount funding that would be provided under the E-rate program would enable the thousands of patrons who use the library to access a plethora of otherwise unavailable resources. It is of the utmost importance that they, and countless other schools and libraries, be afforded the opportunity to provide services to our communities. When schools lack resources, the local library is often the last resort taken by individuals. This further emphasizes the necessity for the E-rate to be fully and completely funded to the highest possible levels.

Understandably, the financing of the E-rate is contingent upon the F.C.C.'s actions to reduce financial and regulatory burdens on telephone companies. Nonetheless, I urge you to not impede or delay decisions to grant many of my local schools and libraries with the funding needed to access technology. Thank you in advance for your time and attention to this matter. I look forward to hearing from you in the very near future and to working with you to promote the E-rate program and the means that it aims to achieve.

Very truly yours,



Richard E. Neal
MEMBER OF CONGRESS